No. 84-363

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ALEXANDER L. STEVAS,
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IN THE

Supreme Court of the United States

October Term, 1984

NORTHEAST BANCORP, INC.,
UNION TRUST COMPANY and CITICORP,
Petitioners,

— against —

THE BOARD OF GOVERNORS OF
THE FEDERAL RESERVE SYSTEM,
Respondent,

— and —

BANK OF NEW ENGLAND CORPORATION, CBT CORPORATION, HARTFORD NATIONAL CORPORATION, THE COMMONWEALTH OF MASSACHUSETTS, THE STATE OF CONNECTICUT and BANK OF BOSTON CORPORATION,
Intervenor-Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Second Circuit

SUPPLEMENTAL BRIEF FOR PETITIONERS

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Supplemental Memorandum

Pursuant to Rule 22.6 of the Rules of this Court, petitioners wish to draw this Court's attention to significant new developments that have occurred since petitioners last filed papers with the Court. On November 20, 1984, notice appeared in the *Federal Register* that Sun Banks, Inc. and Trust Company of Georgia have filed an application seeking the approval of the Board of Governors of the Federal Reserve System ("Board") to merge pursuant to the regionally restrictive banking legislation enacted in Georgia and Florida. *See* 49 Fed. Reg. 45808 (1984). This transaction is but the first of what will likely be numerous transactions proposed pursuant to the discriminatory compact that has been formed in the Southeast. As reported in the New York Times article entitled "Atlanta Awaits Bank Mergers," dated August 30, 1984, at Dl, banking institutions in the Southeast are "scrambling to find merger partners" under the discriminatory legislation in effect in that area. This compact, which is similar to the New England Compact currently before this Court, demonstrates that restrictive interstate banking regions are forming across the country.

Petitioners also wish to advise the Court that on November 19, 1984, the Board approved another transaction based on the regionally discriminatory laws of Rhode Island and Connecticut—the acquisition by Hartford National Corporation of Rhode Island National Bank. The Board's November 19, 1984 order, together with its orders approving the three acquisitions that are the subject of Citicorp's petition for certiorari in *Citicorp* v. *Board of Governors* (No. 84-754), bring to seven the number of

approved transactions based on the regionally restrictive banking compact in New England.

This flurry of acquisitions pursuant to legislation of dubious constitutional validity highlights the need for review by this Court at this time. If review is delayed, the state-created balkanization of the banking industry will become a *fait accompli* before either this Court or Congress has had an opportunity to intercede.

Respectfully submitted,

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